

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

> Board of Supervisors GLORIA MOLINA First District

MARK RIDLEY-THOMAS Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

March 15, 2011

To:

Mayor Michael D. Antonovich

Supervisor Gloria Molina

Supervisor Mark Ridley-Thomas Supervisor Zev Yaroslavsky Supervisor Don Knabe

From:

William T Fujioka

Chief Executive Officer

we gr

WASHINGTON, D.C. UPDATE ON THE FEDERAL FISCAL YEAR (FFY) 2011 CONTINUING RESOLUTION

On March 15, 2011, the House passed, 271 to 158, H.J. Res. 48, a short-term FFY 2011 Continuing Resolution (CR) which would fund Federal programs and activities through April 8, 2011. Because none of the 12 FFY 2011 appropriations bills have been enacted, Federal programs and activities have been temporarily funded under two CRs, including one which expires on March 18, 2011.

H.J. Res. 48 would temporarily fund the vast majority of Federal programs and activities at their prior year level. However, it would eliminate or cut a number of programs by a combined total of roughly \$6.0 billion below the FFY 2010 level, including the elimination of roughly \$2.6 billion in earmarks and the rescission of \$1.74 billion in funds appropriated in FFY 2010 to conduct the 2010 Decennial Census, which were not needed. Nearly all of the other spending reductions would be cut under the President's budget request and/or the most recent Senate Democrats' FFY 2011 funding proposal. Even with the overall \$6.0 billion reduction, the Congressional Budget Office estimates that Federal expenditures would total roughly \$1.36 trillion on an annualized basis under H.J. Res. 48.

Each Supervisor March 15, 2011 Page 2

The County did not receive any FFY 2010 funding under any of the programs which would be cut under this CR with the exception of Title V Community Service Employment for Older Americans, which would be cut by \$225.0 million. However, this reduction has been expected because the \$225.0 million was provided in FFY 2010 as one-time funding. Neither the Administration nor Senate Democrats support retaining this one-time funding in FFYs 2011 or 2012. Excluding the \$225.0 million in one-time funding, Title V was funded at roughly \$600.4 million in FFY 2010.

The Senate is expected to clear H.J. Res. 48 later this week for the President's signature. However, there still are major differences between the two parties on a full-year spending plan for FFY 2011, and it is unclear what full-year CR can be passed in the Senate. On March 9, 2011, the Senate rejected both Republican and Democratic alternatives for full-year CRs -- H.R. 1, the House-passed FFY 2011 CR, which would reduce discretionary funding by more than \$60.0 billion, was defeated on a 44 to 66 vote while a Democratic alternative, which would cut discretionary funding by \$4.7 billion was defeated on a 42 to 58 vote.

We will continue to keep you advised.

WTF:RA MR:MT:sb

c: All Department Heads Legislative Strategist